

Financial Statements

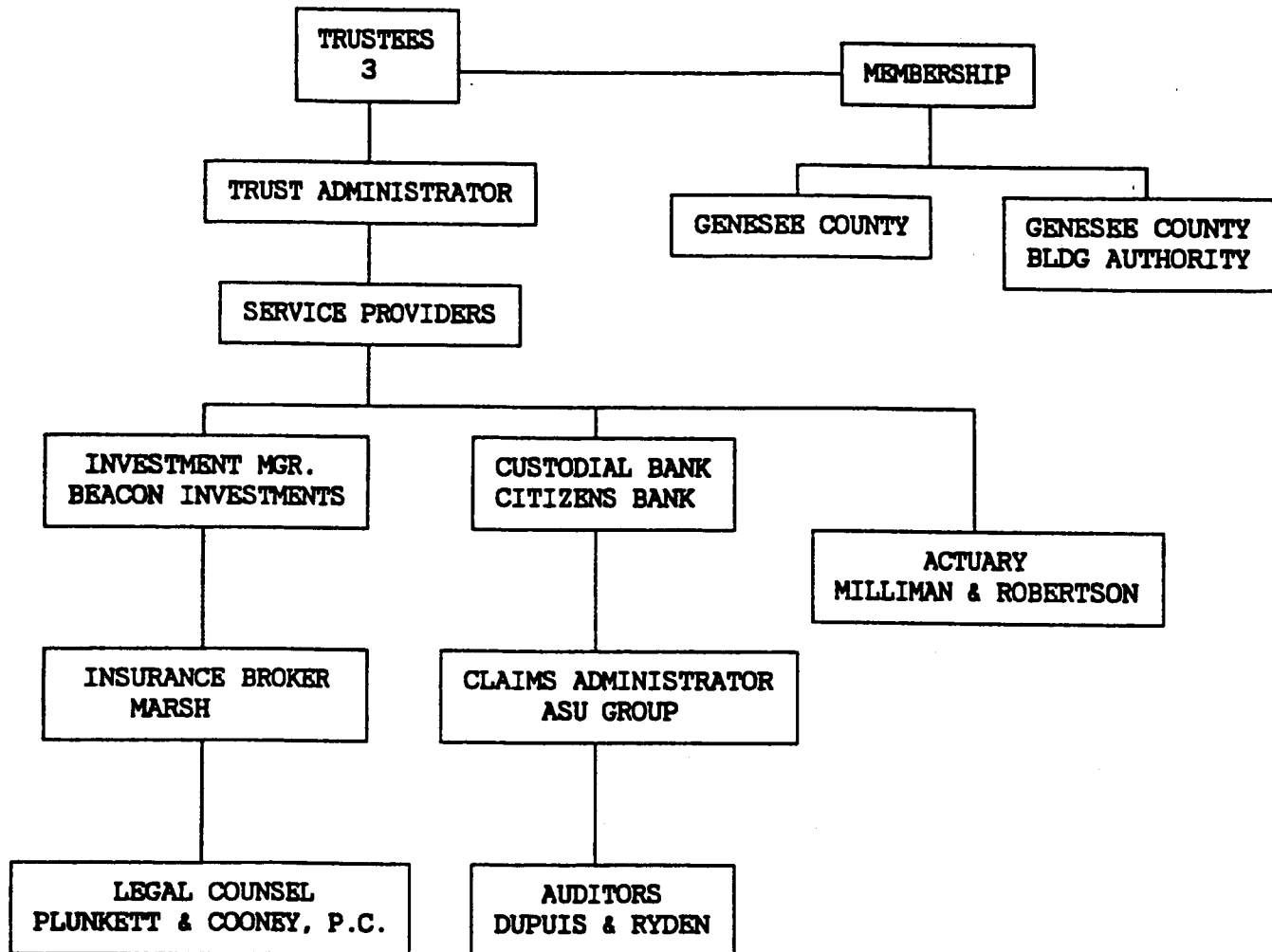
**Genesee County
Self-Insured Trust Pool**

September 30, 2004 and 2003

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GENESEE COUNTY SELF-INSURED TRUST POOL



Genesee County Self-Insured Trust Pool

January 12, 2005

The annual financial report of the Genesee County Self-Insured Trust Pool (Pool) for the fiscal period ended September 30, 2004 is submitted herein. This report was prepared by the Trustees of the Pool. Responsibility for both the accuracy of the presented data and the completeness of the presented data, including all disclosures rests with the Pool. We believe the data as presented to be accurate in all material aspects; that it is presented in a manner designated to fairly set forth the financial position and results of operations of the Pool as measured by the financial activity of the fund and that all disclosures necessary to enable the members to gain an understanding of the Pool's financial activity has been included.

Financial and Actuary Reports

The accrual basis, under which revenues are recorded when earned and expenses are recorded when the related liabilities are incurred, is used to account for the Pool funds within the auditor's financial report.

The actuary opinion letter includes supplemental schedules.

Notes to Financial Statements

The notes provided in the financial section of this report are considered an integral, essential part of adequate disclosure and fair presentation of this financial report. The notes express significant insight into the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this report.

Background and History

The Pool was formed pursuant to the Michigan Intergovernmental Cooperation Act, P.A. 138 of 1982, as amended. The Pool became fully operational in January 1996. The purpose of the Pool is to provide general liability (includes law enforcement liability and incidental medical malpractice), public officials errors and omission, auto liability and property insurance coverages, as well as claims administration, risk management, legal and loss control services. The Pool currently only provides coverages for general liability and public officials errors and omissions, with the accompanying service for claims, legal and loss control administration.

The Pool was initially formed with and still has two members, consisting of the County of Genesee and the Genesee County Building Authority.

Management and Control

Board of Trustees

The Pool is governed by a board of trustees. Any member joins in electing the trustees as its governing authority. The trustees govern and administer the Pool in accordance with the Intergovernmental Contract Between Municipalities Act, the Pool's intergovernmental contract, and the Genesee County Self-Funded Property/Casualty Program Trust Agreement (Trust Agreement). On matters involving governance of the Pool, the intergovernmental contract will control over the trust agreement to the extent of any inconsistency between them.

In accordance with the trust agreement, the trustees shall be the following: The Genesee County Controller (Building Authority Representative), the County Corporation Counsel and the County Risk Manager (County Representatives). A trustee shall cease to be such upon ceasing to hold the above referenced positions. The County Controller shall serve as Chairperson of the Board and the Risk Manager as Administrator of the Pool.

Members of the Board of Trustees duly elected and serving as of September 30, 2004 were:

<u>Name</u>	<u>County Title</u>
Leonard Smorch	Controller
Ward Chapman	Corporation Counsel
P. Andrea Smutz	Risk Manager

Members

One or more municipal corporations not initially a party to the intergovernmental contract may become a member or members of the Pool. Members shall be admitted provided that such municipal corporation is a component of county government within Genesee County, upon approval by the Genesee County Board of Commissioners, and upon adoption of the intergovernmental contract. The insurance coverages for, and the required contributions from, any such additional member will be provided in an additional appendix to the intergovernmental contract.

Territory and Plan of Operation

The Pool insured its members for general liability, law enforcement, incidental medical malpractice, and public officials' errors and omissions coverages.

The Pool has no employees. Most administrative, accounting, and financial reporting services are performed by employees of Genesee County.

The Pool has contracted with ASU Risk Management Services for claims administration services.

The following is a summary of the growth of the Pool from October 1, 1999 to September 30, 2004.

<u>Year</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Members' Surplus</u>	<u>Members Contributions</u>
2000	\$8,221,885	\$1,353,391	\$6,868,495	\$455,989**
2001	7,003,528	1,971,642*	5,031,886*	600,687
2002	6,076,650	1,354,552	4,722,098***	552,308
2003	7,181,605	1,656,591	5,525,014	728,886
2004	6,976,831	1,091,521	5,885,310	784,180

Per a review by the State and its actuarial team, the Trustees have elected to use the undiscounted reserves for unpaid loss and loss adjustment expenses which reflect the actual projection and a better than expected loss history.

* Decline in market conditions, low return on fixed income, increased claim settlements and legal expenses corresponded to an increase in liabilities and decrease in member surplus.

** Reduced premium charges to members due to members' surplus and decreases in the Pool's exposure excess of \$10 million.

*** Decline in market values with increases in excess insurance more than offset the reduction in claims and the reduction in IBNR.

Insurance

The Pool provides coverages across all lines up to the first \$500,000 for each occurrence. The Pool purchases specific excess insurance plus \$5,000,000 aggregate excess insurance for coverages in excess of the retained amounts. The Primary layer of \$5,000,000 was purchased from Genesis Insurance.

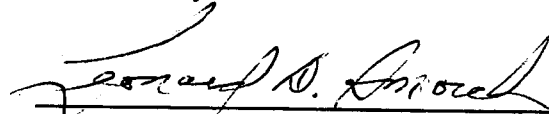
The Pool has purchased an additional \$15,000,000 in excess of the Primary layer, \$5,000,000 from Hanover Insurance and \$10,000,000 from Westchester Fire. The Pool had a total limit of \$20,000,000 while retaining \$500,000 as the self-insured retention for the Pool.


Investments

Investments are recorded at fair value. Custodian for the Pool is Citizens Bank, Flint, Michigan, with Beacon Investments, Ann Arbor, as investment advisors.

This report is submitted to the Pool members, acknowledging the support of the Genesee County Controller's Office accounting staff.

Submitted by:


Leonard D. Smorch, Chairperson


P. Andrea Smutz, Administrator/~~Risk~~ Manager

Independent Auditors' Report

To the Board of Trustees
Genesee County Self-Insured Trust Pool
Flint, Michigan

We have audited the accompanying financial statements of the Genesee County Self-Insured Trust Pool, as of and for the years ended September 30, 2004 and 2003, as listed in the table of contents. These financial statements are the responsibility of the Genesee County Self-Insured Trust Pool's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Genesee County Self-Insured Trust Pool at September 30, 2004 and 2003, and the results of its operations and the changes in cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of expressing an opinion on the financial statements taken as a whole. The required supplementary information is presented for purposes of additional analysis and is required by Governmental Accounting Standards Board Statement No. 30. The additional information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

BKR Dupuis & Ryden

Certified Public Accountants
Flint Office

January 12, 2005

Genesee County Self-Insured Trust Pool
Balance Sheets
September 30, 2004 and 2003

	2004	2003
Assets		
Cash and cash equivalents	\$ 17,563	\$ 44,771
Investments	6,769,243	6,943,016
Prepaid expenses	190,025	193,818
Total assets	<u>\$ 6,976,831</u>	<u>\$ 7,181,605</u>
Liabilities and retained earnings		
Liabilities:		
Other payables	\$ 7,484	\$ 11,276
Accrued payroll	1,915	1,536
Due to Genesee County Self-Insured Trust	379,833	328,312
Due to members	482	337,565
Accrued claims and estimated IBNR liability	701,807	977,902
Total liabilities	1,091,521	1,656,591
Retained earnings:		
Designated for IBNR	5,885,310	5,525,014
Total liabilities and retained earnings	<u>\$ 6,976,831</u>	<u>\$ 7,181,605</u>

See notes to financial statements.

Genesee County Self-Insured Trust Pool
Statements of Revenues, Expenses, and
Changes in Retained Earnings
For the Years Ended September 30, 2004 and 2003

	2004	2003
Revenues and other income:		
Member contributions	\$ 784,180	\$ 728,886
Decrease in IBNR	276,095	225,406
Total revenues and other income	1,060,275	954,292
Expenses:		
Wages	34,511	32,134
Fringe benefits	12,473	9,176
Supplies	594	1,729
Other service charges	67,051	44,011
Travel/workshop	204	2,919
Excess insurance	762,007	654,067
Property/other liability's imprest accounts and in house	357,960	284,892
Loss control/safety	850	-
Total expenses	1,235,650	1,028,928
Operating loss	(175,375)	(74,636)
Non-operating income:		
Investment income	566,693	877,552
Net income before transfer	391,318	802,916
Transfer to other County funds	(31,022)	-
Net income	360,296	802,916
Retained earnings at beginning of year	5,525,014	4,722,098
Retained earnings at end of year	\$ 5,885,310	\$ 5,525,014

See notes to financial statements.

Genesee County Self-Insured Trust Pool
Statements of Cash Flows
For the Years Ended September 30, 2004 and 2003

	2004	2003
Cash flows from operating activities:		
Cash received from members	\$ 784,180	\$ 728,886
Cash payments to vendors for goods and services	(1,474,227)	(546,467)
Cash payments to employees for services	(46,605)	(41,554)
Net cash provided by (used in) operating activities	(736,652)	140,865
Cash flows from noncapital financing activities:		
Transfers to other County funds	(31,022)	-
Cash flows from investing activities:		
Purchase of investment securities	(3,735,507)	(1,719,276)
Proceeds from the sale of investment securities	4,309,322	1,410,610
Interest and dividends	166,651	197,348
Net cash provided by (used in) investing activities	740,466	(111,318)
Net increase (decrease) in cash and cash equivalents	(27,208)	29,547
Cash and cash equivalents at beginning of year	44,771	15,224
Cash and cash equivalents at end of year	\$ 17,563	\$ 44,771
Reconciliation of operating loss to net cash provided by (used in) operating activities:		
Operating loss	\$ (175,375)	\$ (74,636)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Change in assets and liabilities:		
Due from (to) other funds	(285,562)	525,225
Prepaid expenses	3,793	(86,538)
IBNR	(276,095)	(225,406)
Accrued expenses	(3,413)	2,220
Net cash provided by (used in) operating activities	\$ (736,652)	\$ 140,865

Non-cash transactions:

The unrealized gains for 2004 and 2003 were \$324,586 and \$866,290, respectively.
The realized gain for 2004 was \$75,456 and the realized loss for 2003 was \$186,087.

See notes to financial statements.

Genesee County Self-Insured Trust Pool
Notes to Financial Statements
September 30, 2004 and 2003

Note 1. Description of operations, reporting entity, and fund types

The Genesee County Self-Insured Trust Pool (hereafter called the "Pool") was created to initiate and oversee loss prevention and loss control activities to reduce losses and to account for all applicable liability claims for the County's participating member units (currently, Genesee County and the Genesee County Building Authority). The Pool was created in accordance with State law.

These financial statements present the financial position, results of operations and cash flows of the Genesee County Self-Insured Trust Pool, which is a blended component unit of Genesee County, Michigan.

Note 2. Summary of significant accounting policies

The accounting policies of The Pool conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies:

A. Basis of presentation:

The financial activities of the Genesee County Self-Insured Trust Pool are accounted for in an enterprise fund. The Pool accounts for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income, is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

B. Measurement focus:

The accounting and financial reporting treatment applied to the Pool is determined by its measurement focus. The Pool is a proprietary fund and is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. The operating statement presents increases (i.e. revenues) and decreases (i.e. expenses) in net total assets.

C. Basis of accounting:

The accrual basis of accounting is used by the Pool. The accrual basis provides that revenues be recorded when earned and expenses are recorded when the related liability is incurred. The Pool applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

Genesee County Self-Insured Trust Pool
Notes to Financial Statements
September 30, 2004 and 2003

Note 2. Summary of significant accounting policies - (continued)

D. Cash and cash equivalents:

For purposes of the cash flows statement, all highly liquid short-term investments with a maturity of less than 90 days at time of purchase are classified as cash and cash equivalents.

E. Investments:

Investments are stated at fair value.

F. Prepaid expenses:

Prepaid expenses are payments made to vendors for services that will benefit future periods.

G. Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3. Cash and investments

Investments:

State statutes (Public Act 218 of 1956, as amended) authorizes the Pool to invest in obligations of the U.S. Treasury and U.S. agencies, deposit agreements with federally insured financial institutions within the State of Michigan, commercial paper, common stocks, real estate, repurchase obligations of the U.S. Government and U.S. agencies, banker's acceptances of U.S. banks, common stocks, and mutual funds comprised of the above authorized investments. The Pool has adopted the above as its investment policy and has authorized the following depository: Citizens Bank.

The Pool's investments are categorized by risk as follows:

Category 1 includes investments that are insured or registered or for which the securities are held by the Pool or its agent in the Pool's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department, or its agent, in the Pool's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or its trust department, or by its agent but not in the Pool's name.

Genesee County Self-Insured Trust Pool
Notes to Financial Statements
September 30, 2004 and 2003

Note 3. Cash and investments - (continued)

2004

	<u>Category</u>			<u>Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
U.S. Government Securities	\$ 151,125	\$ -	\$ -	\$ 151,125
Corporate Bonds	1,802,848	-	-	1,802,848
Common Stock	4,514,724	-	-	4,514,724
	<u>\$6,468,697</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>6,468,697</u>
U.S. Governmental Security Mutual Fund				<u>300,546</u>
				<u>\$6,769,243</u>

2003

	<u>Category</u>			<u>Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
U.S. Government Securities	\$ 436,938	\$ -	\$ -	\$ 436,938
Corporate Bonds	1,620,358	-	-	1,620,358
Common Stock	4,464,945	-	-	4,464,945
	<u>\$6,522,241</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>6,522,241</u>
U.S. Governmental Security Mutual Fund				<u>420,775</u>
				<u>\$6,943,016</u>

The U.S. Governmental Security Mutual Fund is not categorized because it is not evidenced by securities that exist in physical or book entry form.

Note 4. Risk management

There are various legal actions against the Genesee County Self-Insured Trust Pool. Due to the inconclusive nature of these actions, it is not possible for legal counsel to conclusively determine in the aggregate if the probable outcome will exceed the reasonable estimation of the Pool's accrued claims and incurred but not reported liability.

The Pool is self-funded for general liability, law enforcement, incidental medical malpractice, and public official errors and omissions up to the first \$500,000 for each occurrence. The Pool purchases individual claim excess liability coverage through Genesis Insurance up to \$5,000,000. The Pool has purchased additional \$15,000,000 of excess coverage above the underlying \$5,000,000 excess policy, \$5,000,000 from Hanover Insurance and \$10,000,000 from Westchester Fire. The combined excess coverage is \$20,000,000 above the self insurance retention limit of \$500,000.

Genesee County Self-Insured Trust Pool
Notes to Financial Statements
September 30, 2004 and 2003

Note 4. Risk management – (continued)

The Pool pays its losses through an Imprest fund account established with Citizens Banking Corporation in its own name, which is administered by the ASU Group. The retained earnings as of September 30, 2004 and 2003 were \$5,885,310 and \$5,525,014, respectively. An actuarial study projected a required reserve of \$146,200 for claims known and incurred plus \$555,607 accrued as a liability for incurred but not reported (IBNR) losses and expenses as of 2004. The actuarial study projected a required reserve of \$701,807 for known claims and incurred as of 2004. The Pool's Risk Manager/Administrator provides various risk control techniques through a continuing education program. There were no reductions in excess insurance coverages or settlements in excess of insurance coverages.

A reconciliation of the claims liability for the each fiscal year presented is as follows:

	<u>2004</u>	<u>2003</u>
Unpaid claims and claims adjustment expenses at beginning of fiscal year	<u>\$ 977,902</u>	<u>\$1,203,308</u>
Incurred claims and claim adjustment expenses:		
Provision of insured events of current year	316,364	431,109
Increase (decrease) in provision for insured events of prior years	<u>(449,273)</u>	<u>121,210</u>
Total incurred claims and claim adjustment expenses	<u>(132,909)</u>	<u>552,319</u>
Payments:		
Claims and claim adjustment expenses attributable to events of current fiscal year	(1,692)	(2,667)
Claims and claim adjustment expenses attributable to insured events of prior years	<u>(141,494)</u>	<u>(775,058)</u>
Total payments	<u>(143,186)</u>	<u>(777,725)</u>
Total unpaid claims and claim adjustment expenses at end of fiscal year	<u>\$ 701,807</u>	<u>\$977,902</u>

Note 5. Transfers to other County funds

A transfer of \$31,022 was made to another County fund as a result of transactions that occurred back in the initial year of operation of the Pool. This transfer eliminates a carryforward balance that was due to the other County fund.

Required Supplementary Information

Genesee County Self-Insured Trust Pool
Five Year Claims Development Information
September 30, 2004, 2003, 2002, 2001, and 2000

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
1. Required contribution and investment revenue:					
Earned	\$1,350,873	\$1,606,439	\$(270,921)	\$ (8,544)	\$1,724,157
Ceded	<u>(762,007)</u>	<u>(654,067)</u>	<u>(402,184)</u>	<u>(291,232)</u>	<u>(256,412)</u>
Net earned	<u>\$ 588,866</u>	<u>\$952,372</u>	<u>\$(673,105)</u>	<u>\$ (299,776)</u>	<u>\$1,467,745</u>
2. Unallocated expenses	<u>\$ 426,659</u>	<u>\$ 333,551</u>	<u>\$ 370,836</u>	<u>\$ 873,183</u>	<u>\$ 685,231</u>
3. Estimated claims and expenses, end of policy year:					
Incurred	\$ 12,769	\$ 10,424	\$ 73,944	\$ 142,512	\$ 310,649
Ceded	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incurred	<u>\$ 12,769</u>	<u>\$ 10,424</u>	<u>\$ 73,944</u>	<u>\$ 142,512</u>	<u>\$ 310,649</u>
4. Net paid (cumulative) as of:					
End of policy year	\$ 1,692	\$ 2,667	\$ 4,504	\$ 4,665	\$ 649
One year later	-	5,409	26,716	66,247	163,114
Two years later	-	-	43,105	186,889	282,494
Three years later	-	-	-	240,422	451,056
Four years later	-	-	-	-	502,433
5. Re-estimated ceded claims and expenses	-	-	-	-	-
6. Re-estimated net incurred claims and expenses:					
End of policy year	12,769	10,424	73,944	142,512	310,649
One year later	-	38,424	73,981	175,784	451,192
Two years later	-	-	78,980	252,447	493,037
Three years later	-	-	-	267,265	578,937
Four years later	-	-	-	-	502,433
7. Increase in estimated net incurred claims and expenses from end of policy year	-	28,000	5,036	124,753	191,784

Genesee County Self-Insured Trust Pool
Reconciliation of Claims Liabilities by Type of Contract
September 30, 2004 and 2003

Note: The information presented represents the only type of claim covered by the Pool, which is general liability, law enforcement, incidental medical malpractice, and public officials errors and omissions.

	<u>2004</u>	<u>2003</u>
Unpaid claims and claim adjustment expenses at beginning of fiscal year	<u>\$ 977,902</u>	<u>\$1,203,308</u>
Incurred expenses and claim adjustment expenses:		
Provision for insured events of current fiscal year	316,364	431,109
Increase (decrease) in provision for insured events of prior fiscal years	<u>(449,273)</u>	<u>121,210</u>
Total incurred claims and claim adjustment expenses	<u>(132,909)</u>	<u>552,319</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(1,692)	(2,667)
Claims and claim adjustment expenses attributable to insured events of prior fiscal year	<u>(141,494)</u>	<u>(775,058)</u>
Total payments	<u>(143,186)</u>	<u>(777,725)</u>
Total unpaid claims and claim adjustment expenses at end of fiscal year	<u>\$ 701,807</u>	<u>\$977,902</u>

Genesee County Self-Insured Trust Pool
Schedule of Principal Assets
September 30, 2004

		<u>Carrying Value</u> <u>Market Value</u>
<u>Short-Term Investments</u>		
	SEI DAILY INCOME TR TREASURY II PORT CL A FUND #37	\$ 300,546
	Total	<u>300,546</u>
<u>US Government Obligations</u>		
	250,000 U.S. TREASURY NOTES 7.875% 11/15/04	<u>151,125</u>
	Total	<u>151,125</u>
<u>Corporate Bonds</u>		
	150,000 BANKAMERICA CORP 6.625% 8/01/07	162,918
	120,000 CENDANT CORP DTD 6.25% 1/15/08	129,354
	150,000 COCA COLA BOTTLING CO 6.375% 5/1/09	164,091
	150,000 COMCAST CABLE COMM. INC 6.75% 1/30/11	166,380
	200,000 COMERICA INC 4.800% 5/01/15	195,216
	150,000 GTE CORP 6.46% 4/15/08	162,129
	200,000 GMAC 7.75% 1/19/10	219,772
	125,000 JP MORGAN MTN FLTG-CPN 6/28/09	128,543
	150,000 LEHMAN BROS INC 6.625% 2/15/08	164,123
	125,000 MASCO CORP 5.875% 7/15/12	134,445
	175,000 SLM CORP 5.000% 10/01/13	<u>175,877</u>
	Total	<u>1,802,848</u>
<u>Common Stock</u>		
	2,200 AMBAC FINANCIAL GROUP INC	175,890
	2,800 AMERICAN INTERNATIONAL GROUP INC	190,372
	2,300 AMGEN INC	130,663
	2,400 ANHEUSER BUSCH COS INC	119,880
	1,650 AVON PRODS INC	72,072
	3,100 BEST BUY COMPANY INC	168,144
	6,800 BOSTON SCIENTIFIC CORP	270,164
	4,204 CENDANT CORP	90,806
	3,000 CLEAR CHANNEL COMMUNICATIONS INC	93,510

(continued)

Genesee County Self-Insured Trust Pool
Schedule of Principal Assets - (continued)
September 30, 2004

		<u>Carrying Value</u> <u>Market Value</u>
<u>Common Stock - (continued)</u>		
1,850	FEDERAL HOME LOAN MORTGAGE COM	120,694
2,500	FEDEX CORPORATION	214,225
1,350	FNMA	85,590
4,200	FIRST DATA CORP	182,700
1,300	GANNETT INC	108,888
2,400	GRAINGER W W INC	138,360
3,500	HALLIBURTON CO	117,915
2,225	INTERNATIONAL BUSINESS MACHINES CORP	190,771
3,100	INTERNATIONAL GAME TECHNOLOGY	111,445
1,525	LILLY ELI & CO	91,576
2,900	LINEAR TECHNOLOGY CORP	105,096
2,100	MARRIOTT INTERNATIONAL INC	109,116
2,200	MARSH & MCLENNAN COS INC	100,672
6,337	MBNA CORP	159,692
1,800	MCGRAW-HILL INC	143,442
2,050	MEDTRONIC INC	106,395
5,000	MOTOROLA INC	90,200
3,275	OMNICARE INC	92,879
1,700	PEPSICO INC	82,705
3,300	PFIZER INC	100,980
3,600	PRAXAIR INC	153,864
4,100	ROCKWELL AUTOMATION INC	158,670
2,500	SLM CORP	111,500
5,000	TEXAS INSTRUMENTS INC	106,400
1,400	3M COMPANY	111,958
3,000	WALGREEN CO	107,490
		<hr/>
Total		4,514,724
		<hr/>
Total Principal assets		\$ 6,769,243
		<hr/> <hr/>